Section A
Executive Summary

INTRODUCTION

This section of the report is intended to provide Management with an executive-level summary of the most noteworthy performance information to date. All information is current as of the end of June 2002 unless otherwise noted.

The section begins with a description of notable accomplishments that have occurred since the last monthly report and are considered to have made the greatest contribution toward safe, timely, and cost-effective clean up. Following the accomplishment section is an overall fiscal year-to-date summary analysis addressing cost, schedule, and milestone performance. Also included in this section is a contract to date performance table. Overviews of safety ensue. The next segment of the Executive Summary, entitled Breakthroughs and Opportunities for Improvement represents potential significant improvements over the established baseline. The Critical Issues section is designed to identify the high-level challenges to achieving cleanup progress. The next section includes FY 2002 EM Corporate Performance Measures. Concluding the Executive Summary, a forward-looking synopsis of Upcoming Planned Key Events is provided.

Note: Milestones tracked and reported in the Executive Summary are FY2002 Contract Milestones and consist of two Department of Energy levels. In descending order these levels are 1) Department of Energy-Headquarters (HQ), and 2) Richland Operations (RL). Because it is also useful to distinguish milestones based on specific drivers, the Site applies a designation for those milestones created or tracked to meet the requirements of Enforceable Agreements (EAs). When a milestone satisfies both an EA requirement and a milestone level, it is categorized as both. However, in order to avoid duplicate reporting, this report accounts for each milestone only once. Where an overlap exists between EA and a level (i.e., HQ or RL), the milestone is reported as EA. Additionally, Tri-Party Agreement (TPA) Major and Interim milestones are EA milestones. TPA milestones that are not enforceable are called Target milestones and are included in the milestone tables found in the applicable Project Sections. Project Section tables encompass FY2001 through FY2006 milestones.

NOTABLE ACCOMPLISHMENTS

Spent Nuclear Fuel (SNF) Movement Activities ¾ During this reporting period, ten Multi-Canister Overpacks (MCOs) containing 55.78 Metric Tons of Heavy Metal (MTHM) were shipped from K West (KW) (78 MCOs and 374.24 MTHM, cumulatively). To date, the Spent Nuclear Fuel (SNF) Project is 61 working days (31 MCOs, 135.76 MTHM) behind the baseline schedule commitment to move 720.1 MTHM by the end of fiscal year (FY) 2002.

TRU Program Recertification Audit ¾ The annual recertification audit of the Hanford TRU Waste Program was successfully completed June 24-28, 2002. The annual audit is required to maintain the certified status of Hanford's TRU Waste Program and retain the ability to certify and ship TRU waste to the Waste Isolation Pilot Plant. Two Corrective Action Reports were generated from the audit.

2002 Hanford Field Exercise ¾ On Thursday, June 20, 2002, the Hanford Emergency Preparedness Organization conducted the “2002 Hanford Field Exercise” to assess the readiness of response organizations in responding to emergency conditions on the Hanford Site. In addition to Hanford Site emergency responders, representatives from Benton, Franklin, and Grant Counties; Washington and Oregon States; Kadlec Medical Center; and DOE-HQ participated. A preliminary report identified many positive aspects of the exercise and also pointed out several opportunities for improvement. Over the next few weeks, the evaluation team will further analyze the results of the exercise. At the conclusion of this effort, a final report will be issued.

Transition ¾ The execution of the Central Plateau Transition Plan was completed on June 30, 2002, smoothly transitioning Bechtel Hanford, Inc. (BHI) work scope to Fluor Hanford (FH). The work scope included the transfer of 136 employees, 161 facilities (buildings and structures), and 440 waste sites.

Stabilization of Nuclear Material

Metals, Alloys, Oxides and Polycubes — During June, 56 Bagless Transfer Containers (BTCs) were welded and 30 furnace runs were completed in 234-5Z and 2736-ZB. Through June a cumulative total of 634 BTCs have now been made in the 234-5Z and 2736-ZB facilities. Stabilization of Magnesium Hydroxide precipitated material, which began in mid April, continues with 273 of the 607 liters stabilized. Processing of the magnesium hydroxide precipitation material continues in both 234-5Z and 2736-ZB and is expected to be disposition ready in late July.

Residues — During the reporting period, 184,702 grams of Sand, Slag and Crucible (SS&C) were packaged into 16 Pipe Overpack Containers (POCs). Processing of all planned FY 2002 SS&C material was completed on May 31, 2002. Processing of FY 2003 SS&C material was then initiated and continues to exceed baseline expectations.

Solutions ¾ During June the Solutions Stabilization Project stabilized three hundred liters of plutonium bearing solutions. As a result 100 percent of the solutions inventory has now been stabilized.

Outer Can Packaging ¾ Thirty-two 3013 Containers were produced during the June reporting period with a fiscal year to date total of 255 containers.

PERFORMANCE DATA AND ANALYSIS

The following provides a brief synopsis of overall PHMC Environmental Management (EM) cost, schedule, and milestone performance.

FY 2002 Schedule and Cost Performance

Schedule Performance — There is a Fiscal Year (FY) 2002 year-to-date 0.8 percent ($3.1 million) unfavorable schedule variance that is within the established 10 percent threshold. Subprojects outside the threshold are 300 Area Cleanup, 200 Area Remediation, and Plutonium Finishing Plant. Detailed variance analysis explanations may be found in the applicable section.

Cost Performance — FY 2002 year-to-date cost performance reflects a 0.4 percent ($1.6 million) unfavorable cost variance that is within the established 10 percent threshold. Subprojects outside the threshold with favorable variances are 300 Area Cleanup, Advanced Reactor Transition, River Corridor Waste Management, Plutonium Finishing Plant, and Near Term Stewardship. These favorable variances are offset by an unfavorable nine percent variance in Spent Nuclear Fuel. Detailed variance analysis explanations may be found in the applicable sections.

BASELINE PERFORMANCE STATUS
FY 2002 COST / SCHEDULE PERFORMANCE – ALL FUND TYPES
FY TO DATE STATUS ($M)
(FLUOR HANFORD, INC. ONLY)

DATA THROUGH JUNE 2002

	Current Fiscal Year Performance ($ x Million)					Annual Budget
	FYTD			Schedule	Cost	
	BCWS	BCWP	ACWP	Variance	Variance	
River Corridor Restoration						
3.1.2 **300 Area Cleanup** RC02	0.8	0.9	0.7	0.1	0.2	1.2
3.1.3 **Advanced Reactor Transition** RC03	1.3	1.4	1.0	0.1	0.4	1.9
3.1.5 **River Corridor Waste Mgmt.** RC05	2.6	2.8	2.3	0.2	0.5	3.7
3.1.6 **300 Area Facility Transition** RC06	28.6	30.2	27.8	1.6	2.4	38.4
Subtotal Restoration	**33.3**	**35.3**	**31.8**	**2.0**	**3.5**	**45.2**
River Corridor Final Closure and SNF						
3.2.3 **Spent Nuclear Fuel** RS03	128.8	122.6	133.6	(6.2)	(11.0)	172.4
Subtotal SNF	**128.8**	**122.6**	**133.6**	**(6.2)**	**(11.0)**	**172.4**
Central Plateau Transition						
3.3.1 **200 Area Remediation** CP01	7.0	5.7	5.3	(1.3)	0.4	15.5
3.3.2 **Waste Management** CP02	57.0	55.3	56.8	(1.7)	(1.5)	79.8
3.3.3 **Plutonium Finishing Plant** CP03	60.1	66.4	57.7	6.3	8.7	78.3
Subtotal Central Plateau	**124.1**	**127.4**	**119.8**	**3.3**	**7.6**	**173.6**
Site Integation & Infrastructure						
3.4.1 **Site Integration** SS01	22.1	22.1	20.8	0.0	1.3	29.8
3.4.2 **Landlord & Site Services** SS02	64.4	62.0	65.5	(2.4)	(3.5)	89.3
3.4.5 **HAMMER** SS05	3.5	3.7	3.4	0.2	0.3	5.2
Subtotal Site Integration	**90.0**	**87.8**	**89.7**	**(2.2)**	**(1.9)**	**124.3**
Site Stewardship						
3.5.1 **Near Term Stewardship** SC01	0.7	0.7	0.5	0.0	0.2	0.9
Subtotal Stewardship	**0.7**	**0.7**	**0.5**	**0.0**	**0.2**	**0.9**
Total PHMC Projects	**376.9**	**373.8**	**375.4**	**(3.1)**	**(1.6)**	**516.4**

Notes: Column headings [Budgeted Cost of Work Scheduled (BCWS), Budgeted Cost of Work Performed (BCWP), etc.] are defined in the glossary at the end of the report. The data is from the Hanford Data Integrator (HANDI) reports. The Annual Budget is FY2002 worksope only and does not include prior year scope. PBS CP01 reflects scope transfers to occur in July.

BASELINE PERFORMANCE STATUS
CONTRACT TO DATE ($M)
(FLUOR HANFORD, INC. ONLY)

The following table portrays the Fluor contract to date cost and schedule performance.

DATA THROUGH JUNE 2002

	Contract to Date Performance ($ x Million)					Contract Period Budget
	CTD			Schedule Variance	Cost Variance	
	BCWS	BCWP	ACWP			
River Corridor Restoration						
3.1.2 **300 Area Cleanup** RC02	2.1	2.1	1.9	0.0	0.2	33.4
3.1.3 **Advanced Reactor Transition** RC03	3.1	3.0	2.2	(0.1)	0.8	7.7
3.1.5 **River Corridor Waste Mgmt.** RC05	7.1	7.2	6.3	0.1	0.9	27.1
3.1.6 **300 Area Facility Transition** RC06	74.1	74.7	70.4	0.6	4.3	340.0
Subtotal Restoration	**86.4**	**87.0**	**80.8**	**0.6**	**6.2**	**408.2**
River Corridor Final Closure and SNF						
3.2.1 **S. Hanford Industrial Area**	0.0	0.0	0.0	0.0	0.0	6.4
3.2.3 **Spent Nuclear Fuel** RS03	305.7	293.3	300.4	(12.4)	(7.1)	639.9
Subtotal SNF	**305.7**	**293.3**	**300.4**	**(12.4)**	**(7.1)**	**646.3**
Central Plateau Transition						
3.3.1 **200 Area Remediation** CP01	13.0	11.0	11.0	(2.0)	0.0	199.8
3.3.2 **Waste Management** CP02	161.0	154.8	152.0	(6.2)	2.8	606.0
3.3.3 **Plutonium Finishing Plant** CP03	167.6	167.0	161.2	(0.6)	5.8	457.8
Subtotal Central Plateau	**341.6**	**332.8**	**324.2**	**(8.8)**	**8.6**	**1263.6**
Site Integation & Infrastructure						
3.4.1 **Site Integration** SS01	39.1	38.8	36.7	(0.3)	2.1	175.5
3.4.2 **Landlord & Site Services** SS02	115.3	112.0	114.5	(3.3)	(2.5)	533.0
3.4.5 **HAMMER** SS05	9.9	9.7	9.2	(0.2)	0.5	29.6
Subtotal Site Integration	**164.3**	**160.5**	**160.4**	**(3.8)**	**0.1**	**738.1**
Site Stewardship						
3.5.1 **Near Term Stewardship** SC01	1.8	1.8	1.0	0.0	0.8	5.1
Subtotal Stewardship	**1.8**	**1.8**	**1.0**	**0.0**	**0.8**	**5.1**
Total PHMC Projects	**899.8**	**875.4**	**866.8**	**(24.4)**	**8.6**	**3061.3**

Notes: Contract period budget reflects the contractual funding profile (FY01 – FY06) plus/minus approved Baseline Change Requests. Planned scope transfers from/to the River Corridor Contractor will be included once the transfers take place.

FUNDS MANAGEMENT
FUNDS VS. ACTUAL COSTS ($000)

This chart reflects the FH Project structure. This breakout is necessary to provide FH project managers with information specific to their areas of responsibility and accountability and to facilitate effective management of the funds within their control (obligated to the PHMC).

FH has taken proactive actions to surmount the significant work scope and funding challenges in FY 2002. As a result, all but $2.9M have been resolved. FH continues to aggressively pursue cost reductions and has instituted hiring restrictions along with a corporate review/approval of all procurements. These actions will further reduce spending and will better align project resources to FY 2003 funding levels. Even without additional actions, trends indicate that the PHMC costs will not exceed available funds in any control point.

For purposes of funds management, the "Other" category includes all funding sources that may not be suitable for redistribution within the Project Completion and Post 2006 control points.

Project	PBS	Expected Funds	Project June Forecast	Project Completion	Post 2006	Other
Spent Nuclear Fuel	RS03	$176,389	$181,211	($4,822)		
Plutonium Finishing Plant	CP03	$84,695	$83,528	$1,167		
	CP03	$570	$546			$24
Subtotal PFP		$85,265	$84,074	$1,167		$24
River Corridor	RC06	$37,408	$36,183	$1,225		
	RC02	$1,032	$996		$36	
	RC05	$3,188	$2,963		$225	
	RC01	$2,790	$2,780		$10	
	CP01	$18,287	$18,222		$65	
	RS01	$80	$80		$0	
	SS03	$0	$0		$0	
	SS04	$1,724	$1,719		$5	
Subtotal RC		$64,509	$62,943	$1,225	$341	
Waste Management	CP02	$81,118	$80,876	$242		
Advanced Reactor	RC03	$2,285	$1,602			$683
Landlord & Site Services	SS02	$91,912	$92,600	($688)		
HAMMER	SS05	$5,503	$4,969		$534	
Site Integration	SS01	$27,500	$28,496		($996)	
Near Term Stewardship	SC01	$1,308	$1,181		$127	
SUBTOTAL EXPENSE		**$535,789**	**$537,952**	**($2,876)**	**$6**	**$707**
ADJUSTMENTS						
Indirect Variance Distribution			($800)	$760	$40	
Procurement Restrictions			($3,000)	$2,500	$500	
Hiring Restrictions			($960)	$864	$96	
SUBTOTAL ADJUSTMENTS			**($4,760)**	**$4,124**	**$636**	
TOTAL EXPENSE		**$535,789**	**$533,192**	**$1,248**	**$642**	**$707**

MILESTONE PERFORMANCE

Milestones represent significant events in project execution. They are established to provide a higher level of visibility to critical deliverables and to provide specific status about the accomplishment of these key events. Because of the relative importance of milestones, the ability to track and assess milestone performance provides an effective tool for managing the PHMC EM cleanup mission. These milestones are consistent with the FH contract.

FYTD milestone performance (Enforceable Agreement [EA], U.S. Department of Energy- Headquarters [DOE-HQ], and RL) shows that seven milestones were completed on or ahead of schedule, one milestone was completed late, and three milestones are overdue.

In addition to the FY2002 milestones described above, there is one overdue milestone from FY2001 [PFP (Section J)]. Further details regarding this milestone may be found in the referenced Project Section.

FY 2002 information is depicted graphically on the following page. For additional details related to the data, prior year milestones, and outyear milestones, refer to the relevant project section titled “Milestone Achievement.”

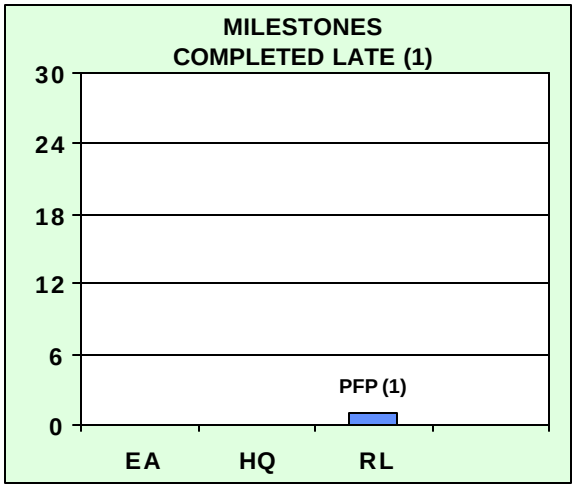
FY 2002 information reflects the September 30, 2001 Baseline. Changes in both the number and type of milestones from month to month are the result of Baseline Change Requests (BCRs) approved during the year.

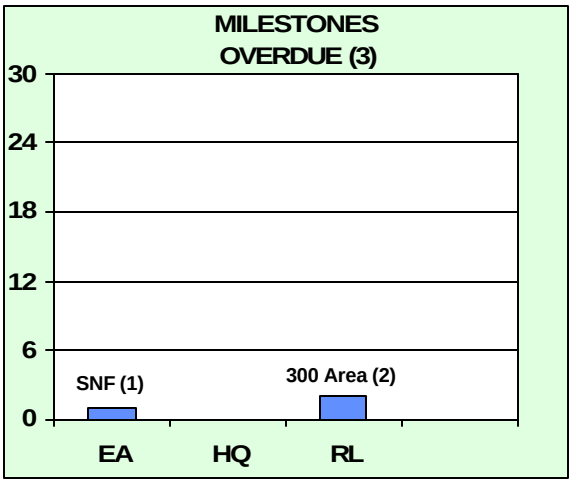
TOTAL ALL HANFORD PROJECTS
MILESTONE ACHIEVEMENT
FH Contract Milestones

MILESTONE TYPE	FISCAL YEAR-TO-DATE				REMAINING SCHEDULED			Total FY 2002
	Completed Early	Completed On Schedule	Completed Late	Overdue	Forecast Early	Forecast On Schedule	Forecast Late	
Enforceable Agreement	3	0	0	1	0	1	0	5
DOE-HQ	0	0	0	0	0	0	2	2
RL	3	1	1	2	0	1	1	9
Total Project	6	1	1	3	0	2	3	16

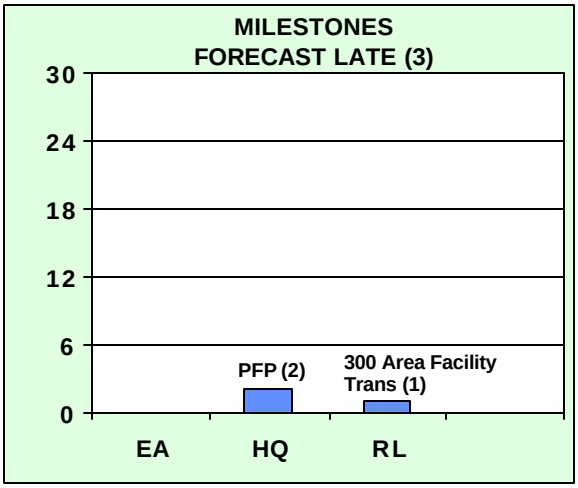
MILESTONE EXCEPTIONS

FISCAL YEAR TO DATE





REMAINING SCHEDULED



These charts provide detail by project and milestone level / type for milestones
- Completed Late
- Overdue
- Forecast Late
- Detailed information can be found in the individual project sections

SAFETY OVERVIEW

The focus of this section is to document trends in occurrences. Improvements in these rates are due to the efforts of the PHMC workforce as they implement the Integrated ES&H Management System (ISMS), work towards achieving Voluntary Protection Program (VPP) "star" status, and accomplish work through Enhanced Work Planning (EWP). Safety and health statistical data is presented in this section. The safety charts are reported according to OSHA standards. Current calendar year data continue to be corrected as further days accumulate on any work restrictions or lost days, or when cases are reclassified.

Significant Safety and Health Events

PHMC Level

Occupational Safety & Health Administration (OSHA) Recordable Case Rate: The FH Team OSHA Recordable Rate is stable at the current baseline of 1.5 cases per 200,000 hours, better than the DOE CY 2001 rate of 2.3. Current Bureau of Labor Statistics rate for all U.S. industry = 6.7 (1996 - 2000). Data are statistically stable, but are showing signs of improvement. FH project specific Safety Improvement Plan efforts are showing early signs of further reducing injuries, with the past four month's OSHA Recordable Rates below the 1.5 average.

Days Away From Work Case Rate: The current safe work hour count for the FH Team is 5,913,040 hours. The past eight months have been below average, at zero, and the FYTD rate is 0.05. The DOE CY 2001 rate is 0.45 cases per 200,000 hours worked.

DOE Safety Cost Index: The DOE Safety Cost Index is stable at the current baseline average of 3.5 cents per hour worked. The current baseline is less than the DOE CY 2001 rate of 9.7 cents. The data are stable on the new, improved baseline rate. The low Safety Cost Index for FH is the result of the low severity of the injuries being experienced on the projects.

Subproject Level

The **Plutonium Finishing Plant (PFP)** subproject has accumulated 592,724 safe hours. The DOE Safety Cost Index for April 2002 has increased due to a case that is accumulating restricted work activity. Injury reduction efforts are improving the OSHA Recordable Case Rate.

The **300 Area Facility Transition** (WBS 3.1.6) subproject (formerly called the River Corridor Project) has achieved 436,259 safe work hours. The OSHA Recordable Case Rate remains stable at the current baseline average of 1.9 cases per 200,000 hours worked. No new OSHA recordable cases were reported in June. The DOE Safety Cost Index is stable at a good value, 3.7 cents per hour.

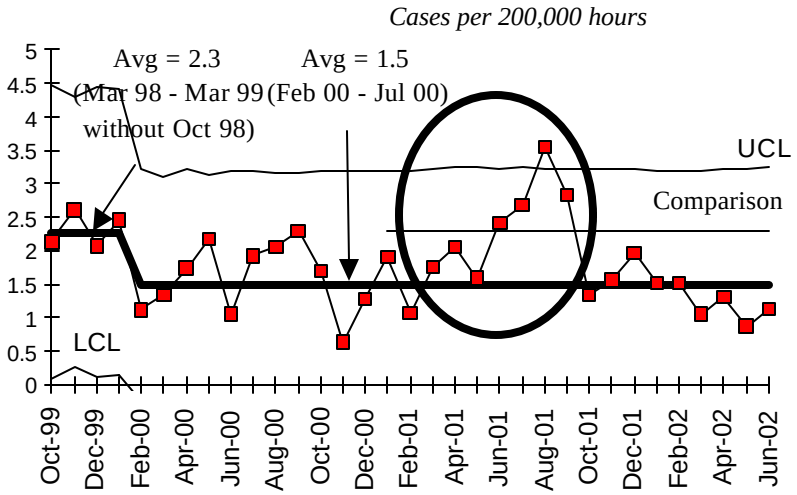
The **Spent Nuclear Fuel (SNF) Project** has achieved over 4.7 million safe work hours. Significant increases occurred in the OSHA Recordable Case Rate and DOE Safety Cost Index. There were four restricted activity cases and one additional OSHA recordable case in June 2002.

The **200 Area Materials and Waste Management** (WBS 3.3.2) subproject (formerly called the Waste Management Project) has achieved 3.8 million safe work hours. The OSHA Recordable Case Rate remains stable on the baseline average at 0.8 cases per 200,000 hours worked, the lowest of the FH project rates. No new OSHA recordable cases were reported in June.

Due to space constraints, FY 1996 through FY 1998 data is not portrayed on the following graphs.

Total OSHA Recordable Case Rate

Green

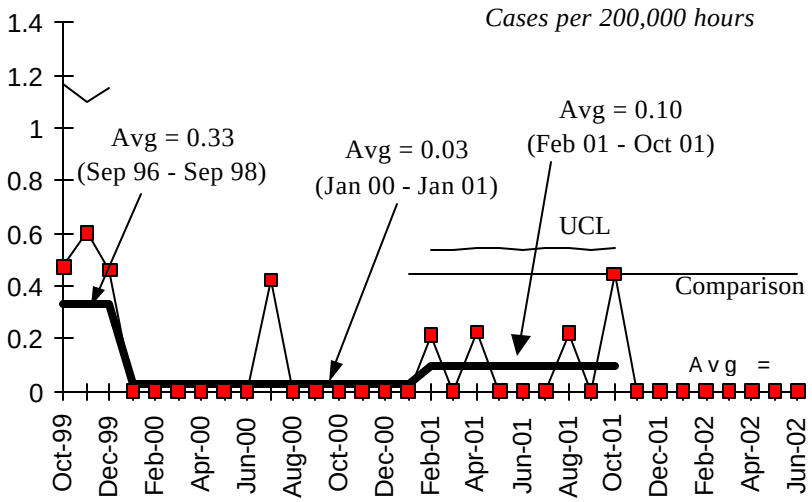


FY 2001 = 1.9
FY 2002 to date = 1.4
DOE Complex Comparison Average = 2.3 (CY01)

The FH Team Safety Summit injury reduction efforts are showing signs of continuous improvement. For the past two months the OSHA Recordable Rate has been at or below 1.1, and the FH Team is currently operating at less than a 1.5 average since March. In June, three FH projects reported injury rates less than 1.0.

OSHA Days Away from Work Case Rate

Green

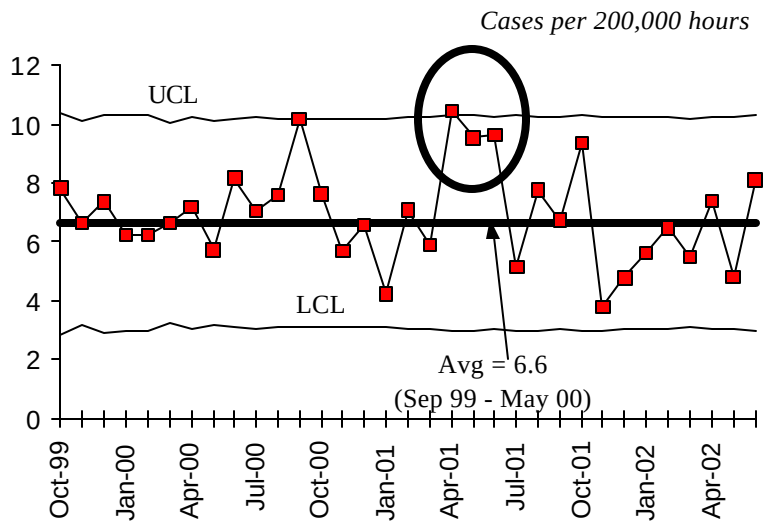


FY 2001 = 0.05
FY 2002 to date = 0.05
DOE Complex Comparison Average = 0.45 (CY01)

The current safe work hour count for the FH Team is 5.9 million hours. The graph has been rebaselined to an average of zero due to the significant decrease noted last month.

First Aid Case Rate

Green

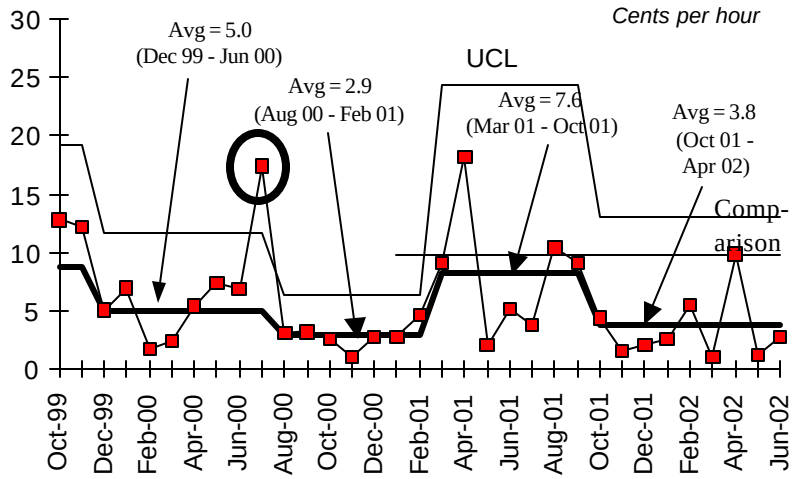


First Aid Rate undergoes seasonal cycles. Increases occur in warmer weather due to insect and animal encounters, and due to wind related minor injuries. Such an increase did occur this past summer. Hanford is especially susceptible to wind borne debris injuries due to the site wildfire in June 2000. First Aid case rate has remained relatively stable.

Fiscal year calculations are not included as DOE does not publish a comparison rate, and comparisons of partial fiscal year data to prior years would not be appropriate due to the routine cyclical trends in the data.

DOE Safety Cost Index

Green



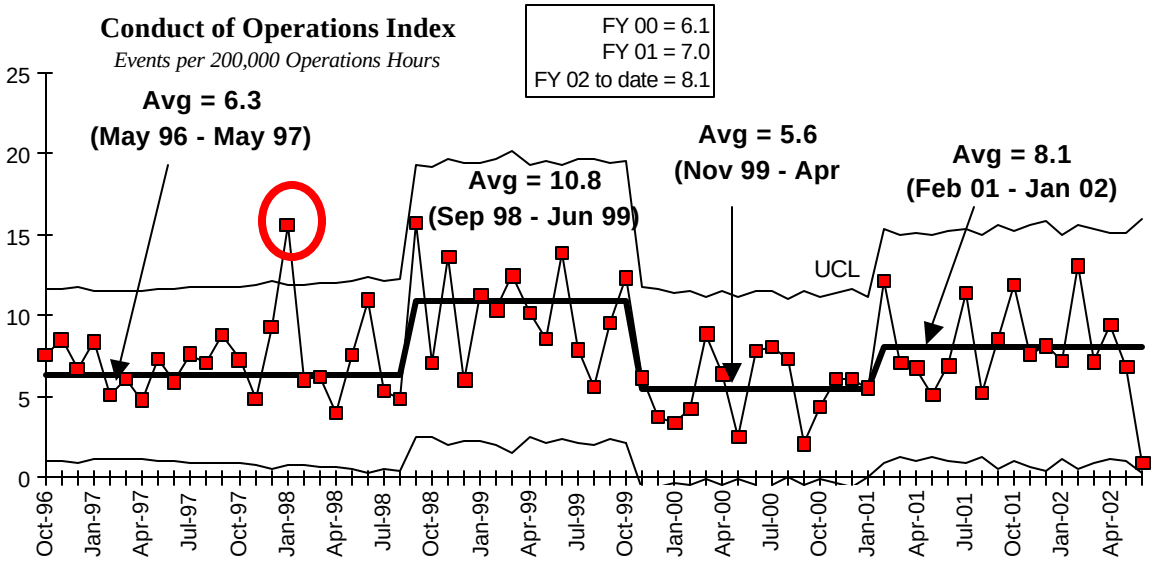
FY 2001 = 5.9
FY 2002 to date = 3.4
DOE Complex Comparison Average = 9.7 (CY01)
The baseline average was adjusted from 3.5 to 3.8 due to gain of further restricted days on cases within the baseline.

Current Calendar Year data continue to be corrected as further days accumulate on any work restrictions or lost days.

CONDUCT OF OPERATIONS

The current baseline increased from 7.9 to 8.1 due to reports during the baseline time interval receiving root cause information updates.

The current month tends to be artificially low as it can take up to 45 days to assign a root cause to an occurrence report, and the majority of the event types in the index are root cause generated.



BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Breakthroughs

Permit By Rule Treatment at 300 Area TEDF ¾ FH investigated the potential to treat limited categories of liquid non-radioactive hazardous wastes using the existing capabilities of the 300 Area TEDF by applying a permit exclusion available within the waste regulations. Treatment of hazardous wastes at TEDF could provide a low-cost option for disposal of some wastes currently sent off-site. While initial implementation activities are planned through the remainder of FY 2002, full implementation will be delayed to FY 2003 due to funding constraints.

Monolithic Removal of 327 Hot Cells ¾ In order to support accelerated 300 Area closure, RC is integrating decommissioning and demolition with deactivation activities where practical. Intact removal of the 327 hot cells appears to be technically feasible, to have potentially significant ALARA benefits, and to result in schedule/cost reduction. Certification that the hot cells can be disposed of as non-Transuranic waste is key to adopting monolithic removal as the technical baseline. In support of this initiative, RC was successful in obtaining Accelerated Site Technology Deployment (ASTD) funding ($935K) to purchase in-situ characterization instruments that will lead to the eventual low-level waste certification. The first of four characterization instruments (a neutron detection system) has been fabricated and is available for deployment. The three additional instruments are on order and will be delivered before the end of the fiscal year.

NDE of Contamination in the KE Basin Walls and Floors ¾ A significant activity necessary to deactivate the 100 Area KE Basin is to characterize the level of contamination in the basin's unsealed concrete walls and floor. This characterization data will be used to help determine the methods to be applied in completing the deactivation of the basin, once fuel and sludge have been removed. The SNF

Project will be using a nondestructive (gamma scanning) technique and detector system, developed by the Pacific Northwest National Laboratory, to acquire data on the depth of radionuclide penetration in the basin's concrete walls and floors. This is the first time the NDE technique will be used to obtain characterization data with the facility in normal operation, with its full inventory of fuel, sludge and contaminated water. If successful, the data will be used, in conjunction with other information, to determine which deactivation methods can realistically be used to remove/reduce the radiological dose/contamination, as well as to determine which basin areas are in the greatest need of mitigation. This detection system has been constructed, tested under laboratory conditions and is ready for deployment into the KE Basin.

Information Resource Management ¾ Photography Services was transitioned from a "wet process" laboratory production to an all-digital format with the move from the Government facilities in the 300 Area to the LMIT commercial space at 1981 Snyder. The move involved working with FH's Asset Transition group to transfer the photo lab equipment to the Tri-Cities Asset Reinvestment Company and the disposition of 50 years of accumulated materials to turn the 300 Area building over to FH Facilities. The move to digital eliminates the waste stream; the last shipment from the silver recovery is planned for December 2002. The transition to digital should reduce the FY2003 budget over 60 percent from the FY2002 budget of $790K.

Opportunities for Improvement

Witness Model ¾ A Fluor consulting group is assisting the SNF Project in reanalyzing its critical path to regain a successful production schedule. The team has been here since May 6, 2002 and is working with the SNF Project team to develop a witness model that will help predict our future rate of production based on historical information including process improvements. The model will be ready for process evaluations by the end of July 2002.

Inventory Control ¾ PFP and contractor staffs have identified opportunities for improving the material control and accountability (MC&A) inventory process at the PFP. The MC&A Process Improvement Plan draft report is currently being prepared and is scheduled for final approval and release in July 2002.

Processing Improvement ¾ The Process Qualification Application was submitted on May 17, 2002. Approval of the process qualification by RL is required to allow processing of oxides to achieve the DNFSB milestones and PFP baseline schedules. Volume II of the application was submitted to a Third Party Review Team on June 14th, with expectation of implementing the Process Qualification Program by mid August.

Environmental Compliance Program ¾ The Environmental Protection requirements documents and procedures are being revised to an activity-based format consistent with the overall FH effort. This conversion/revision will be completed by the end of this summer. The activity-based format should make requirements flow-down clearer and the result more end-user friendly, as well as incorporate some streamlining.

Information Resource Management ¾ The Records Inventory Disposition Schedule (RIDS) database provides for the electronic approval of RIDS. Users were notified to download the new version. Also provided was the revised Web System User's Guide, which was placed on the Records and Information Management (RIM) Web site.

Information Resource Management ¾ A new process for replacing personal computers (PCs) will be implemented during the next 60 days, with LMIT becoming the source for systems. This enables the site to leverage Lockheed Martin's large corporate-wide buying power in negotiating lower system prices than are currently being paid, while still maintaining the use of a local small business to provide them. Anticipated savings are up to $300,000 annually.

ISSUES

Accelerated schedule for Pressurized Water Reactor (PWR) fuel assembly shipments — Meeting the accelerated 324 schedule for five PWR fuel assembly shipments by September 30, 2002 vs. December 2002 necessitates recovering lost time. The FH management self-assessment that began on June 24 is expected to complete on July 8. The Project expects to declare readiness to proceed on July 15 and will undergo a combined FH/DOE Readiness Assessment (RA) that will be completed on August 2. Schedule is contingent on completion of the RA in ten working days, per existing agreement, rather than the scheduled 15 days, and will be aided by the judicious use of shift work and overtime.

SNF MCO number 63 fails integrity test — The MCO is under surveillance in Bay two of the Cold Vacuum Drying Facility. A report has been prepared and issued by Pacific Northwest National Laboratory (PNNL) and recommendations to reduce the potential for future leaks are under evaluation. The overall recommended disposition for the MCO is to send it to the Canister Storage Building (CSB) in preparation for welding. Activities to move the MCO to the CSB are underway.

Equipment reliability is a challenge for sustaining SNF movement — Continued equipment failures may negatively impact meeting fuel movement commitments. Fluor consulting is continuing to evaluate additional repair action items that can reduce random equipment failures.

EM CORPORATE PERFORMANCE MEASURES

Performance Measures	FYTD Planned	FYTD Actual
Facilities Deactivated/Decommissioned		
Deactivated **(RC06)**	1	0
Deactivated **(RS01)**	0	0
Deactivated **(SS02)**	0	3
Total Facilities Deactivated	**1**	**3**
Decommissioned **(SS02)**	0	13
TRansUranic (TRU) Waste (CP02)		
Stored - total inventory (m^3)	17,115	17,048
Disposed (m^3 shipped to DOE site)	0	0
High Level Waste (CP02)		
Stored - total inventory (m^3)	2	2
Treated (m^3)	0	0
Mixed Low Level Waste (CP02)		
Stored - total inventory (m^3)	7,651	7,015
Treated (m^3)	65	240
Disposed (m^3)	240	120
Low Level Waste (CP02)		
Stored - total inventory (m^3)	299	381
Disposed (on-site/commercial) (m^3)	4,428	2,669
Material Stabilized (CP03)		
Plutonium Oxide (cans)	247	38
Plutonium Solution (L)	1,648	3,480
Plutonium Residue (kg)	466	1,292
SNF Moved to Dry Storage (RS03)		
Heavy Metal (MT)	384	241
Waste Site Excavations (RC01 - BHI)		
Waste Site Excavations	**7**	**8**
Technology Deployments		
FH	5	5
BHI	**6**	**6**
Pollution Prevention		
HAZ (MT)	17	10
SAN (MT)	653	172
LLW (m^3)	198	103
MLLW (m^3)	112	36
Cleanup/Stabilized Waste Avoided		
FY2002 planned baseline amount (m^3)	1,978	2,348

For deviations +/- 10%, see the following projects sections: SI&I Facilities decommissioned (Landlord and Site); MLLW Treated, MLLW Disposed, LLW Stored, LLW Disposed (Materials & Waste Management); Plutonium Oxide, Plutonium Solutions, and Plutonium Metal/Alloys (Plutonium Finishing Plant); Heavy Metal (Spent Nuclear Fuels)

Notes:

1) There are no FY2002 EM Management Commitments.
2) Pollution prevention/Waste Minimization are DOE-HQ managed National Programs, and as such are not addressed in the individual project sections of this report.
3) In order to provide the total RL metrics, some of the measures above include planned and actual data for BHI. Details associated with this performance can be found in the BHI section of this report.

EM Life Cycle Performance Measures

The following chart reflects the Site lifecycle (FY 2001 through FY 2046) planned metrics by Project Baseline Summary (PBS).

EM Planned Life Cycle Performance Measures FY 2001 thru FY 2046*

Performance Measures	Total	CP01	CP02	CP03	RC01	RC02	RC03	RC04	RC06	RS01	RS02	RS03	SS02
Facilities Deactivated/Decommissioned													
Facilities Deactivated	822	127	17	57	1	54	4		69	19		30	444
Facilities Decommissioned	1,408	602		57	212	141		1	2	152	14		227
TRansUranic (TRU) Waste													
Disposed (m^3 shipped to DOE site)	24,722		24,722										
High Level Waste													
Treated (m^3)	59,988		59,988										
Mixed Low Level Waste													
Treated (m^3)	36,768		36,768										
Disposed (m^3)	71,178		71,178										
Low Level Waste													
Disposed (on-site/commercial) (m^3)	114,334		114,334										
Material Stabilized													
Plutonium Oxide (cans)	6,015			6,015									
Plutonium Solution (L)	4,260			4,260									
Plutonium Residue (kg)	3,189			3,189									
SNF Moved to Dry Storage													
Heavy Metal (MT)	2,223								2.3			2,221	
Waste Site Excavations													
Waste Site Excavations	1,328	768			444	98				16			2

* FY01 converted to new PBS structure

Upcoming Planned Key Events

The following key events are extracted from the authorized baseline and are currently expected to be accomplished during the next several months. Most are Enforceable Agreement (EA), DNFSB or DOE-HQ Milestones.

300 Area Remediation

Transition — Transition 310 TEDF/340 Facility Project to the Waste Management Project by July 2002.

Gravity Filter — Install Gravity Filter Walkway by September 30, 2002.

Spent Nuclear Fuel (SNF) — Accomplish accelerated schedule of five Pressurized Water Reactor (PWR) spent fuel assembly shipments by September 30, 2002.

Contract Transition — Support transfer of FH scope to River Corridor Closure Contract (RCCC) on September 30, 2002, or 90 days preceding contract award.

Spent Nuclear Fuel

Sludge Water System (SWS) — Award SWS contract for in-basin equipment by July 19, 2002.

SWS — Complete Sludge Transportation System 100 percent design in July 2002.

Site-Wide Activities — Perform light water reactor (LWR) standard startup review in July 2002.

Fuel Transfer System (FTS) — Complete Construction Acceptance Testing (CAT) by July 31, 2002.

FTS — Begin Acceptance Test Procedures (ATP) by August 1, 2002.

Site-Wide Activities — Ship Neutron Radiography Facility (NRF) Training, Research and Isotope Production, General Atomics (TRIGA) fuel to 200 Area Interim Storage Area (ISA) in August 2002.

Site-Wide Activities — Receive initial Shippingport Fuel at Canister Storage Building (CSB) in August 2002.

FTS — Complete contractor Operational Readiness Review (ORR) in August 2002.

SWS — Complete construction by September 30, 2002 (M-34-12-T01).

FTS — Complete DOE ORR in September 2002.

SWS — Receive cask and container for sludge in September 2002.

SWS — Complete construction of SWS by September 30, 2002 (M-34-12-T01).

FTS — Begin KE to KW fuel transfer scheduled for mid-October 2002 (M-34-17) by November 30, 2002.

Sludge Retrieval System (SRS) — Complete ORR in November/December 2002.

SRS — Operational by December 31, 2002 (M-34-08).

Fuel Movement — Complete removal of 957 MTHM from KW Basin by December 31, 2002 (M-34-18A).

MCO Welding — Begin welding of MCOs at Canister Storage Building (CSB) by February 3, 2003.

200 Area Remediation

Equipment Disposition Project — Ship the Ion exchange columns by August 2002.

200 Area Shutdown Facilities — Complete installation of new roofs on PUREX & B Plant by November 30, 2002.

200 Area Materials & Waste Management

Accelerate Readiness to Receive SNF K Basin Sludge — 1) Continue Contractor ORR for movement of Shippingport (PA) fuel, 2) Support activities to receive and store K Basin sludge, and 3) Accelerate T Plant Canyon cell cleanout.

Mixed Low Level Waste (MLLW) Treatment — Continue efforts to place a non-thermal treatment contract with ATG. Meet with Perma-Fix representatives in July to discuss thermal treatment alternatives.

Request for Hanford Shipments to Waste Isolation Pilot Plant (WIPP) — Hanford has requested two waste shipments to WIPP (August 22 and September 12). Based upon higher priorities for shipments from RFETs, INEEL, and SRS, it is uncertain whether Carlsbad Field Office (CBFO) will make TRUPACT-IIs and other resources available to support the request.

Transuranic (TRU) Waste Retrieval — Preparations continue for the TRU Retrieval mockup. The mockup will include clean drums and boxes in a configuration similar to the retrieval trenches, and will allow operations personnel to validate retrieval planning efforts prior to excavating TRU drums. Incorporation of the Documented Safety Analysis (DSA) comments and receipt of the Safety Evaluation Report from RL approving the DSA is expected by August 2002. Preparations have begun for startup readiness to occur late fall, 2002.

Plutonium Finishing Plant Support — Continue to support residues processing with shipment of the new Sand, Slag and Crucible waste stream through FY 2003.

300 Area Cleanup Support — Continue support to the 324 Fuels Removal Project, 327 Facility Cleanout, and the 300 Area Accelerated Closure Project.

Waste Encapsulation and Storage Facility (WESF) Operations — Complete the K-1 filter change and the K-3 duct repair. Support the accelerated capsule disposition initiative.

Liquid Waste Processing — Continue groundwater processing at the 200 Area Effluent Treatment Facility. Two 242-A evaporator campaigns are scheduled for the fall.

Hanford RCRA Permit Modification E — In accordance with the approved Settlement Agreement, the conditions of Hanford RCRA Permit Modification E [Central Waste Complex (CWC) and Waste Receiving and Processing (WRAP)] became effective on June 25, 2002. Waste Management subproject personnel are working to complete the final actions necessary for implementation.

Plutonium Finishing Plant

Solutions Processing — Complete solutions stabilization and packaging by July 31, 2002.